NATIONAL RECOVERY ADMINISTRATION

AMENDMENT TO CODE OF FAIR COMPETITION

FOR THE

ROAD MACHINERY MANUFACTURING INDUSTRY

AS APPROVED ON APRIL 26, 1934





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Approved Code No. 68-Amendment No. 1

AMENDMENT TO CODE OF FAIR COMPETITION

FOR THE

ROAD MACHINERY MANUFACTURING INDUSTRY

As Approved on April 26, 1934

ORDER

Approving Amendments to Code of Fair Competition for the Road Machinery Manufacturing Industry

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of amendments to the Code of Fair Competition for the Road Machinery Manufacturing Industry, and hearings having been duly held thereon and the annexed report on said amendments, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I. Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate, by reference, said annexed report and do find that said amendments and the Code as constituted after being amended comply in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act, and do hereby order that said amendments be and they are hereby approved, and that the previous approval of said Code is hereby modified to include an approval of said Code in its entirety as amended; provided, however, that the trade practice provisions of this Code, insofar as they are applicable to the sale of track-type tractors, be and they are hereby stayed pending my further order, and provided further that pending such order the trade practice provisions of the Code of Fair Competition for the Farm Equipment Industry shall apply to the sale of track-type tractors.

> Hugh S. Johnson, Administrator for Industrial Recovery.

Approval recommended:

A. R. GLANCY, Division Administrator.

Washington, D.C., April 26, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT.

The White House.

Sir: This is a report on the proposed Amendments to the Code of Fair Competition for the Road Machinery Manufacturing Industry, as revised after a Public Hearing conducted in Washington on April 12, 1934, in accordance with Article XII of said Code as approved on October 31, 1933.

The Amendment to Article II is a clarification of the definition, designating the products of the Industry which are included under

the Code.

A new Section 3 has been added to Article III to permit the formation of Subdivisions consisting of members of the Industry who

manufacture closely related products.

Certain trade practices have been added to Article VII, and a new Article XIII has been added to prohibit any member of the Industry from engaging in subterfuge to evade or defeat the purposes of the Code.

FINDINGS

The Acting Deputy Administrator in his final report to me on said Amendment to said Code having found as herein set forth and on the basis of all the proceedings in this matter:

I find that:

- (a) The Amendment to said Code and the Code as amended are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.
- (b) The Code as amended complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7 and Subsection (b) of Section 10 thereof.

(c) The Road Machinery Manufacturers' Association was and is an industrial association truly representative of the aforesaid industry and that said Association imposed and imposes no inequitable restrictions on admission to membership therein and has applied for or consents to these Amendments.

(d) The Amendments and the Code as amended are not designed

to and will not permit monopolies or monopolistic practices.

(e) The Amendments and the Code as amended are not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said

Amendments.

For these reasons, this Amendment has been approved by me.

Respectfully.

HUGH S. JOHNSON. Administrator for Industrial Recovery.

APRIL 26, 1934.

AMENDMENT TO CODE OF FAIR COMPETITION FOR THE ROAD MACHINERY MANUFACTURING INDUSTRY

PURPOSE

Pursuant to Article IV, Section 2 of the Code of Fair Competition for the Road Machinery Manufacturing Industry, duly approved by the President on October 31, 1933, and further to effectuate the policies of Title I of the National Industrial Recovery Act, the following amendments are established as a part of said Code of Fair Competition and shall be binding upon every member of the Road Machinery Manufacturing Industry.

ARTICLE II—DEFINITIONS

Article II, Section 1 amended to read as follows:

"Section 1. The term 'Road Machinery Manufacturing Industry' (or 'Industry'), as used herein, shall mean the manufacture and/or sale of blade graders; motor graders, grader blades (cutting edges); elevating graders; road rollers; bituminous distributors; tractor drawn dump wagons; track type tractor equipment, excluding agricultural equipment, but including bulldozers, trail-builders and scrapers; horse drawn wheeled scrapers, drag scrapers and fresno scrapers; truck scrapers; scarifiers; rooters; snowplows; and/or parts or attachments for any of the products named herein; and such other machines, and parts or attachments therefor, as the Administrator shall from time to time determine are included within the scope of this Code. Track type tractors sold for all purposes other than agricultural are included within and subject to the fair trade practice provisions of this Code made applicable thereto."

ARTICLE III—PARTICIPATION

Article III amended by adding a new Section to be numbered 3

and to read as follows:

"Section 3. Members of the Industry shall, with the approval and under the direction of the Coordinating Agency, have the privilege of forming sub-divisions consisting of members of the Industry who manufacture and sell closely related products, and such sub-divisions may adopt additional or alternative trade practices, subject to the review and approval of the Administrator only, to apply to such sub-division members only, in the regular manner prescribed for amendments in Article IV, Section 2, hereof."

ARTICLE IV—ADMINISTRATION

Article IV, Section 1 amended by adding a new paragraph to be lettered (g) and to read as follows:

"(g) The Coordinating Agency may from time to time submit to the Administrator for approval interpretations of the provisions of this Code."

ARTICLE VII—TRADE PRACTICES

Article VII amended by adding a new Section to be numbered 10

and to read as follows:

"Section 10. No member of the Industry shall induce, or attempt to induce, the breach of an existing contract between a competitor and his customer; nor shall any such member interfere with or obstruct the performance of such contractual duties."

Article VII amended by adding a new Section to be numbered 11

and to read as follows:

"Section 11. Prime products of the Industry shall be invoiced at unit prices for each prime product, extended for totals where necessary."

Article VII amended by adding a new Section to be numbered 12

and to read as follows:

"Section 12. Written price quotations, in response to public invitations for bids, shall be limited to purchases made within sixty (60) days from date of quotations, and contracts covering such purchases shall definitely specify articles, sizes, quantities, and delivery dates. The provision of this Section shall not apply to contracts in force on or before the effective date."

ARTICLE XIII

Present Article XIII re-numbered so that it becomes Article XIV.

ARTICLE XIII

A new Article added to be numbered XIII and to read as follows:

"ARTICLE XIII

"No member of the Industry shall in any manner or by any means engage in any subterfuge for the purpose of evading or defeating the purposes or provisions of this Code."

EFFECTIVE DATE

These amendments shall become effective on the date of approval. Approved Code No. 68.—Amendment No. 1. Registry No. 1329-02.

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